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Washington's Unemployment Rate Up Slightly in August

OLYMPIA – Washington's seasonally adjusted unemployment rate edged up one-tenth of a percentage point to 7.2 percent in August, Employment Security Commissioner Sylvia P. Mundy announced today. The nation's seasonally adjusted unemployment rate declined by two-tenths of a percentage point to 5.7 percent. Washington's non-adjusted unemployment rate, however, was down two-tenths of a percentage point to 6.7 percent. The contrary movements in the state's seasonally adjusted and non-adjusted rates indicate that although the latter fell over the month, it was less than is typical for this time of year.

"The August numbers are further evidence that Washington's economy is likely to experience a slow recovery," said Mundy. "The good news is that the state's economy appears to be withstanding the declines in manufacturing. Although economic signals are still mixed, it appears unlikely that the state or the nation will go into a double dip recession."

Washington's nonagricultural wage and salary employment fell by 3,900 jobs in August, a non-adjusted decline of 0.1 percent. This drop in employment also occurred last year in August. Job gains in construction, retail trade, and services were offset by a seasonal, large decline in local education. The national situation was somewhat different with job increases occurring in services, government, and construction slightly outweighing the job losses in retail trade and manufacturing.

Seasonal adjustments to Washington's nonagricultural employment are estimated in collaboration with the Office of the Forecast Council. Seasonally adjusted employment fell by 6,700 over the month of August. Almost half of that fall occurred in the manufacturing sector. Seasonally adjusted employment fell in both retail trade (-900) and services (-1,600), but rose in finance, insurance and real estate (+100). Construction is up 1,600, which is less than the non-adjusted increase of 3,700, and local education is down 2,100, which is much less than the non-adjusted decline of 14,100.

The non-adjusted non agricultural employment in Washington is still significantly lower than it was at this time last year, with a decline of 50,100. That number is slightly larger than the 12-month decline registered in July. Nearly 60 percent of the decline in employment from August of 2001 is in the manufacturing sector. Of the decline in manufacturing, one-in-four job losses were in aircraft and parts. There were also large drops in employment in construction, transportation, services, and wholesale and retail trade. Finance, insurance, and real estate and government are the only two sectors up since August of 2001.

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